

**WORKERS' COMPENSATION APPEALS PANEL**

NRS 686B.1772 mandates that "Every insurer shall adhere to the uniform system of classifications of risks and uniform plan for rating experience filed with the commissioner by the advisory organization."

In 1999, the Nevada Legislature enacted Senate Bill 417 creating an Appeals Panel for workers compensation. This Panel will hear grievances from employers regarding the application of the workers' compensation rules which appear detrimental to their business. The grievances are limited to those related to the establishment of experience modification factors, the assignment of classifications, the application of manual rules, and other matters filed with the Commissioner. Carriers should refer aggrieved employers to the NCCI Appeals Panel Manager at (800) 525-8529, ext. 25.

Specifically, the Panel is empowered to make individual risk decisions that take into account the specific differences in businesses that might call for some judgment to reach an equitable solution. It is not intended to establish or change classifications or rules for similarly classified businesses within Nevada. Rather, its purpose is to provide relief for an individual insured due to specific circumstances that merit special treatment.

The Appeals Panel is appointed for a term of two years by the Governor in consultation with the Commissioner. The Panel consists of seven members with the following composition:

- C      An employee of the Department of Business and Industry, Division of Insurance;
- C      An agent who is licensed by the Division of Insurance and a member of a nationally recognized association for the profession of insurance agents;
- C      Two representatives of the general public, one of whom must be employed by, or the proprietor of, a business which is a member of either a local chamber of commerce or another organization representing the general business interests of a group of businesses located in Nevada. Neither may be an employee or a representative of, or an independent contractor to an insurance company; an insurance broker, insurance agent or an insurance

solicitor; a law firm, an actuary, or a representative of, a trade association that represents or supports interests specific to the trade of such persons. Both must be knowledgeable in the field and business of industrial insurance in Nevada;

- C Two representatives of private carriers; and
- C A representative of the advisory organization who administers appeals panels for grievances of employers in Nevada and other states.

If an employer (other than a self-insured employer) believes that circumstances unique to his situation warrant a review, he should first contact his agent and insurer to attempt to remedy the problem. The insurer is bound by the rules of the manual, but in those instances where the employer disagrees with the application of such rules for his business, the insurer should advise the employer of the Appeals Process. He may want to discuss the situation with more than one agent/insurer to see if they are in agreement with the grievance.

The Appeals Panel Manager will review the complaint to ensure that the insurer has complied with the rules and will review the merits of the complaint. The NCCI Appeals Manager will make a good faith effort to resolve the complaint, but failing that, the matter will be referred to the Appeals Panel. If the advisory organization, insurer, or employer is not satisfied with the ruling from the Appeals Panel, a hearing may be requested before the Commissioner. If still aggrieved, any party may petition for judicial review in the manner provided by Chapter 233B. of NRS.

The Appeals Panel may not hear complaints concerning the effect of the classification of risks or rules that are applied by all insurers to all similarly classified businesses within Nevada, or grievances concerning cases for compensation pursuant to the provisions of Chapters 616A to 616D, inclusive, or 617 of NRS. A separate appeals process exists for injured workers to pursue claims for workers' compensation.

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Commissioner of Insurance